



ASX Announcement

20 November 2009

Bow Increases 3P Certified Gas Reserves by 46%

Bow Energy Ltd (ASX:BOW) is pleased to announce a further reserve upgrade of 454 petajoules (PJ) for its Blackwater CSG field near Gladstone, Queensland increasing **Bow's total net 3P Reserves to 1,447 PJ.**

Independent consultants MHA Petroleum Consultants, LLC (MHA) have now certified 1,340PJ of 3P gas reserves within the Blackwater CSG field, located in Bow's 100% owned Comet CSG block (ATP 1025P) consisting of 886 PJ 3P previously certified for the Rangal Coal Measures and the latest upgrade of 454 PJ 3P in the Burngrove Coal Measures. MHA has also certified 378 PJ of 2C resource* within the Rangal and Burngrove coal seams at depths greater than 600 metres in the south eastern corner of the Blackwater CSG field.

The upgrade from the Burngrove Coal Measures represents a 51% increase over the previous reserves certified for the Blackwater CSG field. Bow's net 3P certified reserves of 1,447 PJ exceeds the company's original end 2009 target of 750 PJ of 3P gas reserves by 93% and its end 2010 target of 850 PJ of 3P gas reserves for the Blackwater CSG field by 58% over twelve months ahead of schedule.

Located in the heart of one of Australia's top rated CSG provinces, the Blackwater CSG field lies 230 kilometres west of the Port of Gladstone where a number of world-class export LNG projects are being planned by third parties using CSG as a feedstock. Bow has commenced investigations for pipeline access and routes from the Blackwater CSG fields to supply both domestic and export gas markets.

As previously announced, Bow will build and operate a 30 megawatt power station to be located adjacent to the Blackwater CSG Field as part of a broader strategy to generate cash flows from power generation while appraising and carrying out long term production testing of the field. The target is to convert 3P to substantial 2P reserves to supply much larger domestic and export gas markets.

Commenting on the reserve upgrade, Bow's CEO – Commercial, John De Stefani, said, "The Blackwater CSG Field now has a combined 3P reserve and 2C resource of 1,718 PJ. With only approximately 2% of this gas committed to the Blackwater power station, our plan over the next 12 months for this field is to certify a significant volume of 2P gas reserves to target large domestic and export gas markets".

To achieve the planned substantial 2P reserves certification, Bow plans to complete the drilling and permeability testing for the first six appraisal wells which is expected to provide the initial conversion from 3P to 2P gas reserves. The first of these has been drilled with

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testing demonstrating permeability in several seams. This initial appraisal program is to be followed by a 12 well pilot development program with the gas produced during long term production testing to be used in the proposed Blackwater power station to generate early cash flows. In conjunction with this, additional appraisal drilling and pilot expansion is planned to substantially increase the conversion of the 3P to 2P gas reserves.

Bow's Current Net Reserves - 3P certified reserves increased 46%

Project	3P Reserves (PJ net to Bow)	2P Reserves (PJ net to Bow)	2010 Reserve Targets 3P/2P
Don Juan CSG Project (55%)	107	55	150/50
Blackwater CSG field (Comet Block) *	1,340	-	> 850/250
Comet CSG Prospect (Comet Block)	-	-	> 400/100
Norwich Park CSG (3 prospects)	-	-	> 500/100
Total Reserves (net PJ to Bow)	1,447	55	1,900/500

* A further 378PJ of 2C resource was certified in the Rangal and Burngrove Coal Measures over the deeper part of the field located in the south eastern corner

Bow has secured a core hole drilling rig which is due to start the initial exploration program next month at its other 100% owned CSG tenement at Norwich Park providing further potential growth in the company's CSG reserves.

"Given Bow's recent placement and underwritten SPP capital raisings will provide a minimum \$50 million cash to supplement existing cash reserves of \$23 million, I am even more confident of Bow becoming a major upstream energy company with a diversified CSG and oil portfolio, supplying the Australian and international energy markets", De Stefani concluded.

For and on behalf of the Board

Duncan Cornish
Company Secretary
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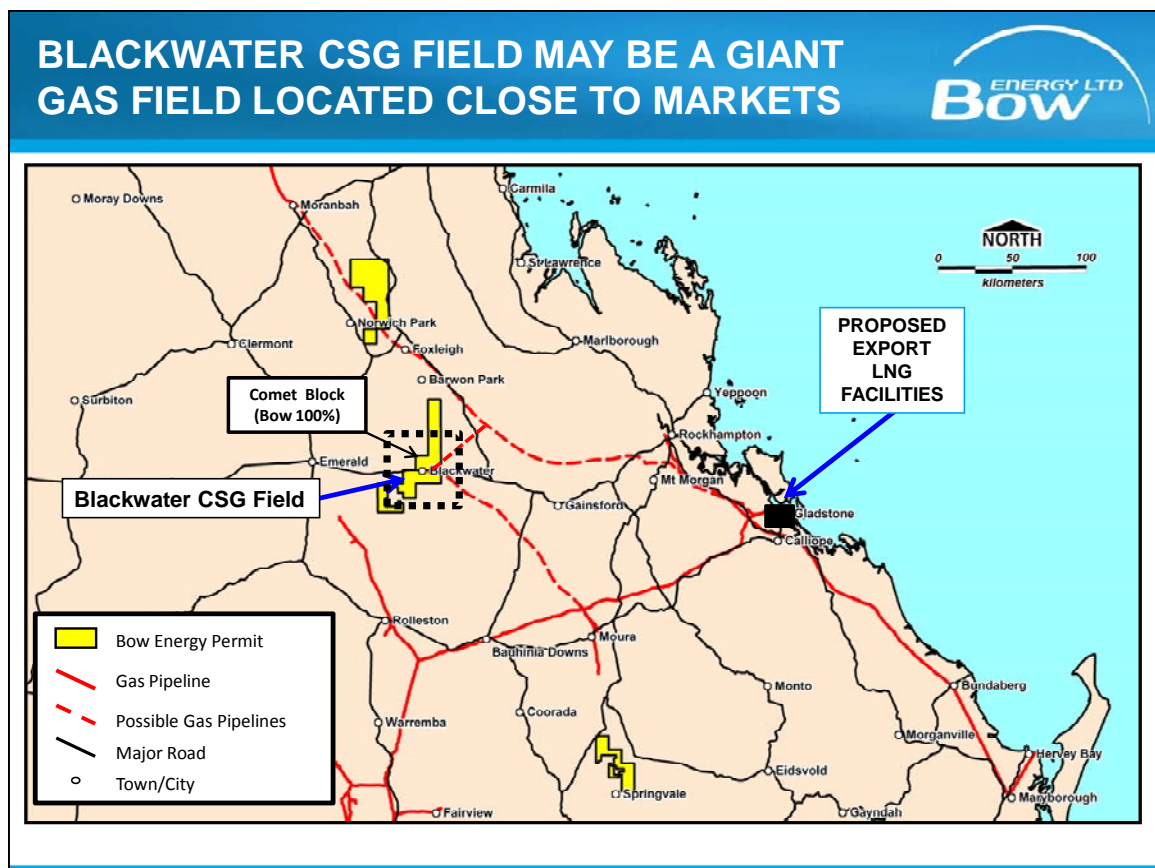
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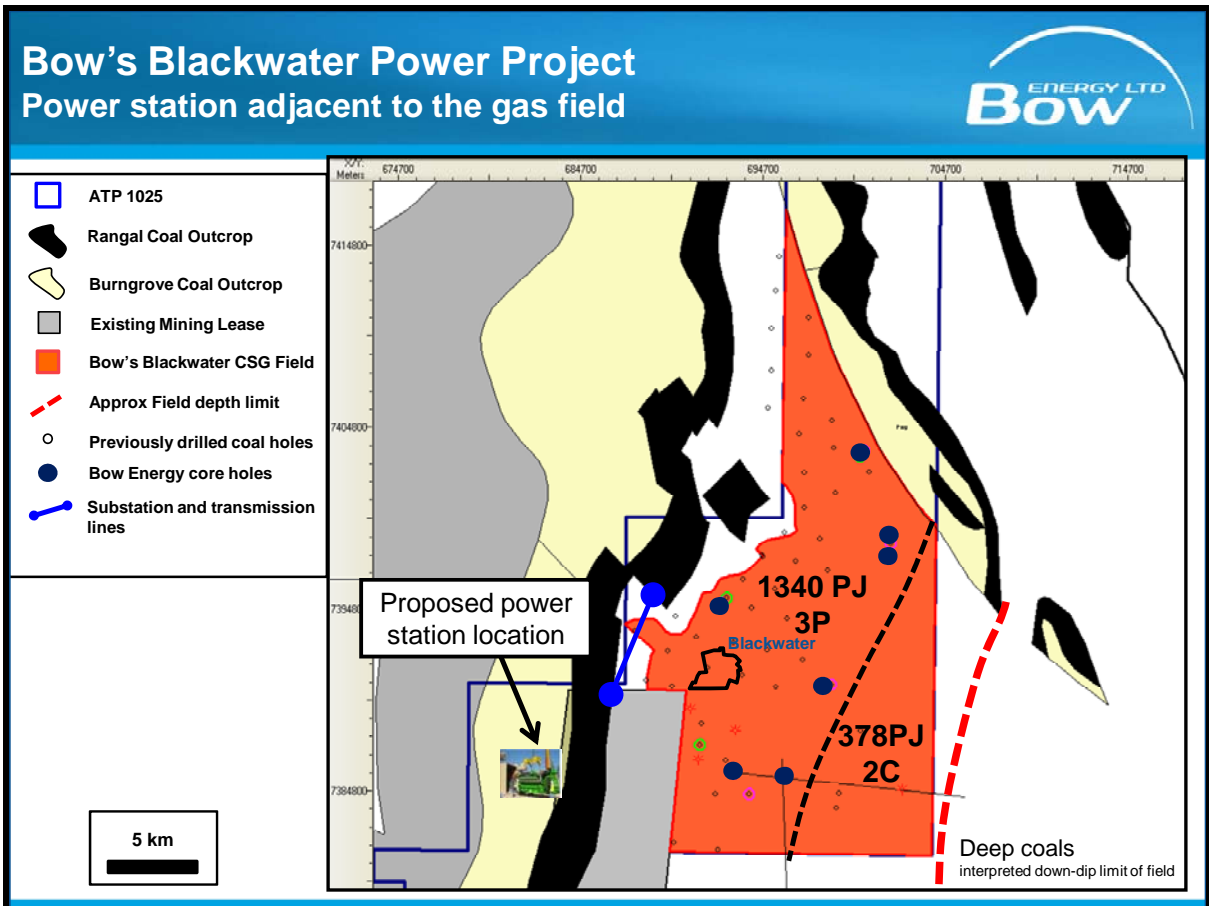
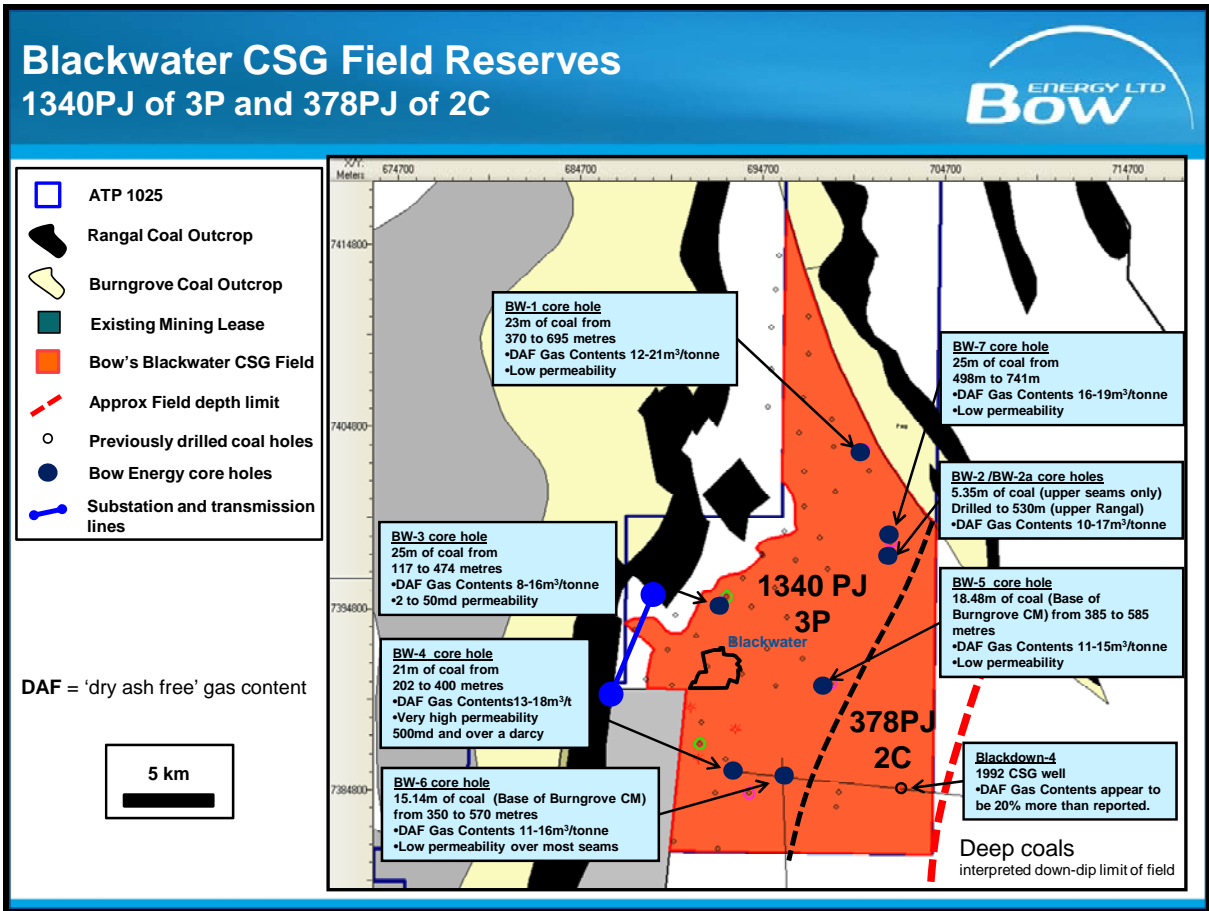
The technical information contained herein is based on information compiled by the Company's Managing Director, Ron Prefontaine, who has more than 30 years experience in petroleum exploration.

Competent Person Statement - The estimates of gas reserve and resources for the Comet Block (ATP 1025P) and Don Juan CSG field have been prepared by MHA Petroleum Consultants, LLC (MHA) in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers. The reserve statement has been compiled by Mr Timothy L Hower Chairman of MHA, together with personnel under his supervision. Mr Hower, who has over 28 years industry experience, and MHA have consented to the inclusion of the technical information contained in this announcement in the form and context in which it appears.

***CONTINGENT RESOURCES** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status. [Reference: Petroleum Resources Management System as sponsored by: Society of Petroleum Engineers (SPE), American Association of Petroleum Geologists (AAPG), World Petroleum Council (WPC), Society of Petroleum Evaluation Engineers (SPEE)]



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